MEMORANDUM OF CONVERSATION:

- 1. On 14 or 15 July 1981, I was asked to call Mr. Tom Phillips of the Senate Budget Office, who had some questions concerning the potential savings that might result from the passage of Senator Chaffee's bill (S.1273) to provide FOIA relief to the CIA. It is my understanding that this bill would exempt from the access provisions of the FOIA those Agency files containing certain categories of sensitive information: viz., records concerning scientific and technical collection systems, intelligence and security liaison arrangements, or security investigations conducted to determine the suitability of prospective sources.
- Mr. Phillips stated that last year the Agency had claimed that enact ment of this legislation would result in the saving of "millions of dollars." He wanted a specific figure. He expressed interest in the number of slots that would be dropped and the reduction in computer costs, specifically.
- 3. I told Mr. Phillips that I was very reluctant to attempt to quantify the savings inasmuch as it was still unclear what the scope and effect of the amendment would be, e.g., whether it would be retroactive. However, clearly we would not be saving "millions of dollars" since our estimate of the total personnel costs for administering the FOIA last year was approximately I explained further that we did not keep track of any costs other than personnel costs, and that, based upon the DoD's figures, the other costs would probably amount to no more than 5-10 percent of the personnel expenditures.
- 4. The biggest impact would obviously be on the DO. The DO would still have a considerable ROIA burden, what with referrals from other agencies and from other CIA components. In addition, the processing of PA and EO requests would continue as before. As far as those individuals in the DO who only occasionally work on FOIA requests as collateral tasks, no slots would be saved. To the degree that such persons were relieved of their ROIA chores (searching for or reviewing documents), they would simply have more time to devote to their intelligence-related duties. It occured to me that the one saving that might result would be if the DO, with less of an FOIA workload, felt that it was no longer necessary to hire annuitants on a contract basis. As of last fall, according to the report I prepared in connection with the long-range planning exercise, the DO had part-time contract workers, each of whom worked 30 hours per week on FOIA/PA requests. Assuming that the pay per employee, and that we would have no need to renew averages out at their contracts, the Agency would have reduced the payroll by bodies, at a dollar saving of approximately per year.

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